

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO. 90-078-E
PHELPS GAS COMPANY, INC.)	

O R D E R

On December 7, 1990, the Commission issued its Order in Case No. 90-078 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates on a quarterly basis in accordance with the provisions of the gas cost adjustment ("GCA") clause set forth therein.

On April 1, 1992, Phelps Gas Company, Inc. ("Phelps") filed its quarterly GCA, which is to become effective May 1, 1992 and is to remain in effect until July 31, 1992.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Phelps' notice of April 1, 1992 set out certain revisions in rates which Phelps proposed to place into effect, said rates being designed to pass on to its customers the expected wholesale change in gas cost from its supplier. Phelps' expected gas cost ("EGC") adjustment for the quarter beginning May 1, 1992 should be \$3.5407 per Mcf.

2. Phelps' notice included an actual adjustment in the amount of 6.38 cents per Mcf to collect under-recoveries experienced by Phelps through the operation of its gas cost recovery procedure during the months of October 1991 through January 1992.

3. Phelps' notice included a refund adjustment in the amount of 11.2 cents per Mcf to return over-collections to its customers pursuant to the Order in Case No. 90-078-C.¹

4. The combined effect of the above adjustments is Phelps' gas cost recovery rate ("GCR") in the amount of \$3.4925 per Mcf, a decrease of 33.80 cents per Mcf from its last approved rates.

5. The rates set out in the Appendix to this Order, pursuant to the GCA provisions approved by the Commission in its Order in Case No. 90-078 dated December 7, 1990, are fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after May 1, 1992.

IT IS THEREFORE ORDERED that:

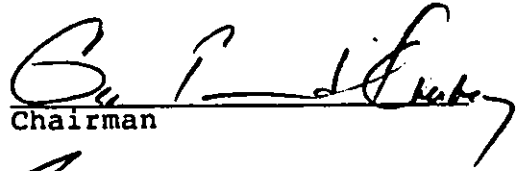
1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after May 1, 1992.

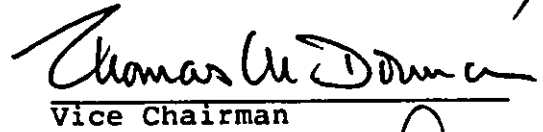
2. Within 30 days of the date of this Order, Phelps shall file with this Commission its revised tariffs setting out the rates authorized herein.

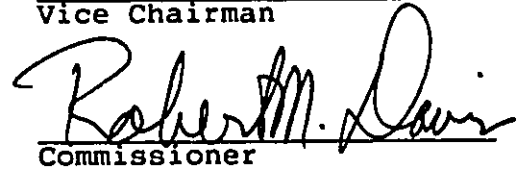
¹ Case No. 90-078-C, Notice of Purchased Gas Adjustment Filing of Phelps Gas Company, Inc., Order dated January 30, 1992.

Done at Frankfort, Kentucky, this 30th day of April, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director , Acting

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-078-E DATED 4/30/92

The following rates are prescribed for the customers served by Phelps Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

RATES:

Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf - Minimum Bill	\$4.3971	\$ 3.4925	\$7.8896
Over 1 Mcf	2.7670	3.4925	6.2595